



Export-Import Bank of the United States
 Office of Inspector General
 Office of Investigations
CLOSING STATUS REPORT

Title:	Ruff Wear, Inc.	Date Opened:	11OCT2018
Case No:	19-0002-C	Date Closed:	12DEC2018
Agent:	(b) (6)		

Allegations:

On September 13, 2018, (b) (7)(C)

Export-Import Bank of the United States (EXIM), reported to the Office of Inspector General (OIG), Office of Investigations (OI), suspected fraud involving claim(b) (4). The claim was filed by the exporter, Ruff Wear, Inc. (Ruff Wear) of Bend, Oregon, for non-payment of six invoices totaling \$133,563.20 under the EXIM Bank insured transaction between Ruff Wear and Original Dog Gear of Mern, Denmark. The claim was filed on May 8, 2014, and paid in the amount of \$117,296.56 on July 11, 2014.

(b) (7)(C) provided information that recovery of the loss amount was assigned to Global Recovery Group, LLC (GRG). GRG discovered that following non-payment by Original Dog Gear, Ruff Wear sued the buyer in Oregon State Court "seeking judgment for unpaid invoices." Original Dog Gear counter sued for breach of contract. GRG determined that there was also a parallel case in Denmark. GRG provided information that in March 2014, the case was moved to Federal District Court for the District of Oregon. According to court records obtained by GRG, the case was settled on April 4, 2014. Ruff Wear filed their claim with EXIM Bank approximately one month after they had reached the settlement with Original Dog Gear. GRG requested a copy of the settlement agreement from Ruff Wear, which they declined to provide.

This investigation is being opened to determine whether Ruff Wear's claim following the civil settlement constitutes a false claim or a similar criminal violation.

Closing Summary:

After reviewing the supporting documents related to this investigation, OI contacted the United States Attorney's Office (USAO) in the District of Oregon on October 9, 2018. OI relayed the details surrounding this investigation and the USAO agreed to open a case into this matter. The USAO issued a grand jury subpoena on October 29, 2018 in an attempt to obtain the details of the settlement agreement in question. Ruff Wear, Inc. replied to this subpoena on November 9, 2018.

On December 11, 2018, (b) (7)(C)
 Counsel (OGC), EXIM Bank and Special Agent (SA) (b) (6)

Office of General
 EXIM Bank, Office

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of Inspector General (OIG), Office of Investigations (OI) conducted a conference call with (b) (7)(C) Assistant United States Attorney (AUSA) of the District of Oregon. The three individuals discussed (b) (5)

After a review of the facts in this case, AUSA (b) (7)(C) declined to pursue criminal prosecution of Ruff Wear and its related parties. In addition, AUSA (b) (7)(C) did not believe a civil case was prudent at that time. However, AUSA (b) (7)(C) agreed to put (b) (7)(C) in touch with Ruff Wear's Counsel to discuss alternative remedies in this case. It is believed that (b) (5), (b) (7)(A)

As a result, this matter was referred back to EXIM Bank.

Based on discussions with (b) (6)
this case will be closed (b) (7)(A)

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